

**UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF PENNSYLVANIA
HARRISBURG DIVISION**

In re	:	Case No. 24-02511
Wendt Communication Partners, LLC	:	Chapter 11– Subchapter V
Debtor	:	Hon. Henry W. Van Eck
	:	United States Bankruptcy Judge

**INTERIM ORDER AUTHORIZING DEBTOR IN POSSESSION TO USE CASH
COLLATERAL AND ESTABLISHING ADEQUATE PROTECTION PAYMENTS**

This matter having come before the Court on Debtor in Possession's Motion for the Entry of an Interim Order Authorizing Debtor in Possession to Use Cash Collateral; and the Court being sufficiently advised, finds and orders as follows:

IT APPEARING that Debtor filed a voluntary petition for relief under chapter 11 of Bankruptcy Code on October 1, 2024, (the "Petition Date"), and that Debtor continues to manage and operate the business as the debtor in possession pursuant to §§ 1107 and 1108; and it further

APPEARING that on the Petition Date, property of the estate was comprised in part of \$74,903.01 in cash on deposit in various accounts, and \$34,405.35 in accounts receivables, for a total of \$109,308.36 in cash collateral (the "Cash Collateral"), in which IDEA247, Inc ("IDEA") and TD Bank, NA ("TD Bank") may have an interest; and it further

APPEARING that Debtor requires the immediate authority to use the Cash Collateral in order to: (a) maintain and preserve the assets of the estate; (b) continue to pay the normal operating expenses; and (c) segregate fees for the Subchapter V Trustee and professional fees as reflected in the DIP Budget attached hereto as Exhibit A; and it further

APPEARING that pending a final hearing or entry of a final order in this matter, the interests of IDEA and TD Bank in the Cash Collateral must be adequately protected, pursuant to §363(c)(2), and in the manner provided in §361; NOW THEREFORE IT IS

ORDERED that: Debtor's motion is **GRANTED**. Effective October 1, 2024, Debtor is authorized on an interim basis to use the Cash Collateral according to the DIP Budget attached as Exhibit A.

ORDERED that on or before October 15, 2024, debtor in possession shall pay, pursuant to §361(1) \$3,141 to IDEA; and \$1,571 to TD Bank, as adequate protection; it is further

ORDERED that debtor in possession shall grant a replacement lien in Debtor's deposit accounts and account receivables to IDEA and to TD Bank to the extent of IDEA's and TD Bank's respective interests and respective priorities in the Cash Collateral as such existed as of the Petition Date, (the "Replacement Liens"); if is further

ORDERED that said Replacement Liens shall be deemed to be valid and duly perfected security interests against the Cash Collateral without the need to file or serve financing statements, notices of lien, which otherwise may be required under federal or state law, or to take any action to validate or perfect the Replacement Liens.

ORDERED that this matter is set for a final hearing at 9:30 am, on October 29, 2024, at the U.S. Bankruptcy Court for the United States Bankruptcy Court for the Middle District of Pennsylvania, Bankruptcy Courtroom, 4th Floor, Sylvia H. Rambo United States Courthouse, 1501 N. 6th St, Harrisburg, PA 17102, it further

ORDERED Debtor in possession shall, within two (2) days of the entry of this order, serve a copy of the order on all parties in interests, the creditors described in FRBP 1007(d), all secured creditors, the U.S. Trustee, and the Subchapter V Trustee.

	Oct-24
INCOME	
Vender Commissions	\$ 14,642
Service Delivery	
Vendor Partnership Referrals	\$ 25,999
Direct Sales - New Customers	\$ 8,744
Direct Sales - Existing Customers	\$ 47,954
Client Referrals & Other Sources	\$ 19,660
Uncategorized Income	\$ -
Total Income	\$ 117,000
Costs of Sales	
(Commissions on Sales)	\$ (2,673)
(Preferred Client Discounts)	\$ (3,256)
(Other Discounts)	\$ (1,436)
(Client Refunds)	\$ -
Total Costs of Sales	\$ (7,365)
NET SALES	\$ 109,635
EXPENSES	
Sales and Marketing	
Outsourced Sales Resources	\$ 3,750
Marketing & Sales Development	\$ -
Lead Generation - Direct Sales New Customers	\$ 7,500
Total Sales and Marketing	\$ 11,250
GROSS PROFIT	\$ 98,385
Salary and Fringes	
Executive	\$ -
Operations & Client Success	\$ 7,250
Administration & Books	\$ -
Health Insurance	\$ -
Payroll Taxes	\$ 870
401k Match	\$ 218
Payroll Processing Fees	\$ 50
Total Salary and Fringes	\$ 8,388
Owner Draws - Compensation	\$ -
Direct Operating Expenses	
Contract Labor	
Gen & Administrative	\$ 6,573
Delivery of Services	\$ 52,721
Total Contract Labor	\$ 59,294
SaaS & Digital Subscriptions	
Digital HQ	\$ 7,000
IT Security	\$ 3,000
Other SaaS	\$ -
Total SaaS & Digital	\$ 10,000
Total Direct Operating Expenses	\$ 69,294

General & Administrative Expenses**Insurance**

Business Insurance	\$ 541
Worker's Compensation	\$ 83
Total Insurance	\$ 624

Travel Expenses

Travel	\$ -
Meals	\$ -
Total Travel Expenses	\$ -

Office Costs

Rent	\$ 500
Office Expenses	\$ 228
Total Office Costs	\$ 728

Other Business Expenses

Bank Charges & Fees	\$ 1,971
Dues & Subscriptions	\$ 100
Postage & Shipping	\$ 76
Taxes & Licenses	\$ 50
QBO Merchant Fees	\$ 3,362
Misc. Gen Admin Expenses	\$ 706

Total Other Business Expenses**Professional Fees**

Recruiting & HR	\$ 2,000
Total Professional Fees	\$ 2,000

Total Gen. & Admin Expenses**Total Expenses**

10% Expense Variance	\$ (8,730)
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Operating Income/(Loss)**\$ 2,359****Adequate Protection Analysis**

Value of Debtor's Interest in Cash Collateral as of Petition Date	\$ 109,308
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Estate Expenses/ Carve Outs

Court Fees	\$ (500)
Sub V Chapter Trustee Post Petition Retainers	\$ (5,000)
Total Administrative Expenses	\$ (5,500)

Operating Income/(Loss)

\$ 2,359

Estimated Diminution of Value of Cash Collateral**\$ (3,141)****Adequate Protection Payments**

IDEA247, INC.	\$ (3,141)
TD BANK, NA	\$ (1,571)
Total APP Payments	\$ (4,712)

Cash Flow

Cash on Hand	\$ 74,903
Total Estate Expenses	\$ (10,212)
Net Cash Flow/Cushion	\$ 64,691